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pay interest on the money he has received until he completes the delivery of the cotton agreed on, which is generally in the following season. Advances are also occasionally made on the standing crop, the person advancing the money taking all risks. A dealer rarely lends money to a landholder on the security of the crop. If he does the landholder pays interest until he has sold his cotton, when he refunds the amount he has borrowed. These arrangements are all carried on under regular bonds. Since the extreme rise in the value of cotton during the American War in 1864-65 the growers have generally been in a position to exact terms which are more in the grower's than in the dealer's favour. In some cases cotton dealers and gin-owners receive advances from wealthy brokers, who have undertaken to supply European houses with cotton at a fixed date. The petty dealer or gin-owner makes over the cotton according to agreement, and the broker sells it to the European firm at the rate agreed on, or, if he has been working with the European merchant's money, he is paid by commission. Agents of Bombay native dealers in the cotton growing districts, partly advance money to the growers and partly buy in the local markets. The chief local cotton markets are Hubli, Gadag, and Dhárwár. The details of the business are carried out by middlemen, who have largely increased in number during the last few years owing to the keener competition among European buyers. Though much sawginned Dhárwár comes to Bombay in full-pressed bales, the difficulty of the land journey forces considerable quantities to be sent in the much lighter and handier bundles or *dokrás*. As its name shows Kumta in North Kánara was formerly the chief port of shipment for Dhárwár cotton. At present (1884) almost the whole crop of Dhárwár cotton goes to Bombay, about two-thirds going from Kumta and one-third from Kárwár. A little both of saw-ginned Dhárwár and of Kumta cotton, both in steamers and in native boats from Kumta and Kárwár, reaches Bombay in April. But no large supplies either of saw-ginned Dhárwár or of Kumta are available till about the end of May. So that except in seasons when the rains hold off no large quantities reach Bombay before the beginning of the rains (June 7th-15th). Of saw-ginned Dhárwár, on a rough estimate about $\frac{2}{3}$ goes by Kumta and $\frac{1}{3}$ by Kárwár; of Kumta about $\frac{3}{4}$ goes by Kumta, $\frac{1}{4}$ by Kárwár, and $\frac{1}{8}$ is used locally. Occasionally a little cotton is sent to Madras by Belári. In an ordinary season, under existing conditions that is with good roads but no railways, about $\frac{2}{3}$ of the saw-ginned Dhárwár and $\frac{1}{4}$ of the Kumta which is a later crop reach Bombay before the south-west rains. Of the rest, except a little which sometimes goes to Belári either for local use or for Madras, the whole is packed during the rains (June-November) in Dhárwár store-rooms. Of this stored cotton about two-thirds is kept loose, one-third in bundles or *dokrás*, and little or none in pressed bales. A large quantity of cotton, roughly averaging about 8000 bales, is often kept at Kumta during the rains the amount depending on the date of the break of the monsoon which stops shipping. According to the state of the Bombay market the supplies which have been kept in Dhárwár stores and godowns during the rains begin to come forward in September and October, getting from Dhárwár to the coast chiefly in October and November and reaching Bombay

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as a rule before the close of December. Of the Dhárwár cotton which goes to Bombay by sea about ⅛ goes in native boats and ⅞ in steamers. In average seasons the whole cotton crop leaves the district by the middle of the following season, that is by about the end of March. The opening of the new lines of railway through Dhárwár and to the coast will greatly add to the value of the Dhárwár cotton crop. It will be possible to press and ship considerable quantities from Marmagaon before the close of May and by land to stations on the South East and West Deccan railways during the whole of the rains. Before the opening of the Suez Canal (1869) much saw-ginned Dhárwár went by ship to Liverpool and was forwarded from Liverpool to the continental ports. The chief continental ports which use saw-ginned Dhárwár are Cronstadt, Odessa, Revel, Trieste, and Venice. At present (1884) saw-ginned Dhárwár finds little favour with English spinners, the seed has grown poor and the gins have fallen out of repair. The bulk of what is exported goes to the continent of Europe, but the quantity exported is small. Probably more than half the outturn is used in the Bombay spinning mills where its whiteness makes it valuable for mixing. Its strong and fairly long staple makes Kumta particulary well suited for spinning the lower counts of yarn up to thirties and for this purpose it is largely used in the Bombay mills. Twenty years ago Kumta cotton was in favour among Lancashire and Glasgow spinners and was largely exported; and were it not grossly adulterated with seed it would still find a ready market in England and on the continent of Europe. Till 1847 cotton was carried to the coast on bullock-back at a cost averaging about 12*s.* (Rs. 6) for every bullock-load of 250 pounds. Bullock carriage ceased about 1861, when the Dhárwár-Kumta road by the Devimani pass was opened and carts came into general use. At first, owing to the cheapness of grass and grain, the cart hire from Dhárwár to the coast averaged about 12*s.* (Rs. 6) the *khandi* of 784 pounds or less than one-third of the old pack-bullock charge. During the American Civil War cart rates ran to £3 to £4 (Rs. 30-40) and even higher. Since 1865, with the increase in the number of carts, the rate has gradually fallen to 16*s.* (Rs. 8) to Kárwár and £1 (Rs. 10) to Kumta. To this have to be added a cart broker's fee of 3*d.* (2 *as.*) and 1*s.*4¾*d.* (1⅛ *as.*) for tolls. With slight variations 19*s.* (Rs. 9½) may be taken to represent the average cost of carting one *khandi* of 784 pounds of cotton from the Dhárwár cotton fields to the coast. This is a heavy charge. Taking 30*s.* a ton of 2240 pounds as the average of the cotton freight by steamers from Bombay to Liverpool during the year 1882, the charge from the Dhárwár cotton fields to the coast is nearly twice as heavy as the charge from Bombay to Liverpool. The cost of freight by *phatemári* to Bombay is 3*s.* 3*d.* (Rs. 1⅝) and by steamer 8*s.* (Rs. 4) a *khandi* of 784 pounds that is for *phatemáris* a third and for steamers four-fifths of the average 1882 steamer freight from Bombay to Liverpool. When cotton is sent in full-pressed bales, the cost, including the pressing carting and shipping charges, comes to about £2 0*s.* 6*d.* (Rs. 20¼) a *khandi* of 784 pounds,[1] or

[1] The details are: Pressing £1; cart hire to Kárwár 12*s.*; freight to Bombay 8*s.*; Kárwár agency 6*d.*

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about 13·5 per cent of the value of the cotton. If the Dhárwár dealer sends his cotton to Bombay in bundles or *dokrás*, and it is sold in Bombay at his risk, the cost of bringing it to market comes to about £1 19*s.* 2*d.* (Rs. 19$\frac{7}{12}$) the *khandi* or 13·05 per cent of the value of the cotton.[1]

During the last fifty-five years Government have made repeated efforts to improve the Dhárwár cotton trade. In 1812 the Madras Government calculated the export cotton trade of Dhárwár and all the adjoining districts, through Kánara to Bombay, at about 1065 bales, probably *nags* of 300 pounds each. Of these 1065 bundles probably not more than 300 were of Dhárwár growth.[2] Up to 1829 there was no regular trade in Dhárwár cotton; a few bales were carried by Lamáns or pack-bullock men to the Madras districts for hand loom weaving. Dirt greatly reduced the value of the cotton which found its way by sea to Bombay. Much of this dirt was due to the difficulties of carriage. The cotton was thrown loosely into bags which were carried on bullocks and had to be daily laden and unladen. In crossing streams the cotton was wetted, and, at the daily halt, the pack was rolled into the dust or mud. The damage and loss did not cease when the cotton reached the coast. In the voyage to Bombay it suffered much from salt water, and, till as late as 1840 when the state lapsed to the British, Angria, the chief of Kolába, stopped all cotton boats as they passed, sent officers to board them, and levied a heavy and vexatious toll on their cargo.[3] In 1836 some samples of specially cleaned Dhárwár cotton were valued in Bombay at £10 16*s.* (Rs. 108) the 550 pounds, when ordinary Surats were selling in England at £8 to £9 10*s.* (Rs. 80-95). The enhanced value of this cotton did not meet the charges for its special cleaning. In England the specially cleaned cotton was valued at 8$\frac{1}{2}$*d.* a pound and the common dirty cotton at 6$\frac{1}{2}$*d.* to 7*d.* while in Dhárwár the specially cleaned cotton cost £7 10*s.* (Rs. 75) and the common cotton cost £4 (Rs. 40) the *khandi* of 784 pounds or a difference of 1$\frac{1}{14}$*d.* the pound. Government did not consider these results promising enough to justify further expenditure on improved methods of cleaning cotton.

From 1842 attempts began to be made to grow American seed cotton. At first from the difficulty of cleaning it and from the want of a market, either in Dhárwár or in Bombay, the native dealers would not touch American seed cotton. Till 1846-47 most of the Dhárwár-American cotton was shipped by Government at their risk. In 1846 native merchants for the first time bought Dhárwár American on their own account. In the same year the Government shipments to England were reported to have left a profit of nearly twenty-three

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[1] The details are: Cart hire and tolls to the coast 17*s.* 6*d.*; cart broker's fee 3*d.*; freight to Bombay 3*s.* 3*d.*; landing charge 1$\frac{1}{2}$*d.*; wharfage fee 1$\frac{1}{2}$*d.*; weighing charge 1$\frac{1}{2}$*d.*; agent's charge in Bombay 4*s.* 6*d.*; agent's charge at the coast 10$\frac{1}{2}$*d.*; buyer's discount at 3$\frac{1}{2}$ per cent equals 10*s.* 6*d.* when cotton is at £15 (Rs. 150) a *khandi*; broker's fee in Bombay on sale of the cotton 1*s.* 6*d.*; subscription for the Bombay animal home 6*d.*; subscription for other Bombay charities $\frac{3}{4}$*d.* When the cotton is shipped at Kumta a fee of 2$\frac{3}{4}$*d.* is levied on every *khandi* of cotton to support the Kumta temples.

[2] Walton's Dhárwár Cotton, 3.

[3] Walton's Dhárwár Cotton, 16.

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were sold by auction in Bombay. Their price averaged £11 6*s.* (Rs. 113) the Surat *khandi* when the corresponding price was £10 (Rs. 100) for Surat, £8 14*s.* (Rs. 87) for Amrávati, and £8 10*s.* (Rs. 85) for Kumta. In 1847 Mr. Mercer, the Dhárwár American planter, visited Manchester and secured a large increase in the demand for Dhárwár-American. About this time complaints of the adulterated state of cotton were so loud that in 1851 Government passed a law strengthening the penal provisions of Act III. of 1829 against adulteration. Act III. of 1829 had made the mixing and the selling of mixed cotton penal; Act XV. of 1851 made the holder of mixed cotton, as well as the mixer and seller liable to punishment. The new Act provided that damaged or adulterated cotton should be confiscated and sent to England for sale; and, to encourage detection, the Act laid down that two-thirds of the value of confiscated cotton should be given to the informer. As the new Act was made applicable to the city of Bombay, the agents of Bombay merchants refused to buy damaged or falsely packed cotton, and this refusal had a good effect on up-country dealers. Though the new Act did good serious cause of complaint remained, and the fact that the ports of shipment were under Madras while the cotton-growing districts were in Bombay greatly enhanced the difficulty of preventing fraud. In 1850 the Manchester Mercantile Association sent Mr. A. Mackay to India, to enquire into the causes which prevented the increased growth of cotton in India. He was of opinion that 254,982 acres, the area under cotton during the year 1853-54, was more than could be maintained. In noticing this Captain Anderson, then superintendent of the revenue survey, estimated the cotton land in Government and private or *inám* villages in Dhárwár at not less than 1,300,000 acres; and experience has since shown that this estimate was correct. In Captain Anderson's opinion the two chief difficulties in the way of the successful growth of Dhárwár cotton were the cost of carriage and the late season at which the crop ripened. In 1854 Mr. A. C. Brice, whose firm was backed by the well-known London firm of Messrs. Dunbar and Son, settled in Dhárwár and did a large cotton business. Mr. Brice proposed to Government to provide for the future superintendence of the local saw-gin factory and machines; to improve the different kinds of cotton grown; to improve the saw-gin by the introduction of cattle-power; to build half screw-presses in suitable spots in the cotton growing districts; to introduce a better cotton cart; to establish full screw-presses on the coast; and to open a direct cotton trade between England and the Bombay Karnátak. By this time the Dhárwár cotton trade had grown so large, that, according to Mr. Brice's calculation, ginning alone employed not less than 45,000 hands. Ten years later, during the American civil war, the Dhárwár cotton trade greatly increased, though fraud and dirt-mixing seriously reduced the value of the cotton. In 1863 and 1864 prices ran so high, that in 1863 in Dhárwár a *khandi* of cotton was worth £38 (Rs. 380) and in 1864 £46 10*s.* (Rs. 465). By 1874-75 the Dhárwár cotton trade had still further developed chiefly in consequence of the opening of good roads. Since the American war one notable change in the cotton trade has been the increasing quantity of Kumta which is used in the Bombay mills instead of being sent to

per cent. Mr. Mercer, one of the American planters, including packing charges, calculated the cost of sending a Bombay *khandi* of 784 pounds of cotton from Dhárwár to Bombay at £1 15*s.* (Rs. 17½), of which no less than £1 (Rs. 10) was the cost of carriage to the coast. The calculation was exclusive of a duty of 6*s.* (Rs. 3) the *khandi* which was imposed at the ports, but was remitted on shipments to England. These charges represented about forty-five per cent on the value of the cotton in Dhárwár, so that, by the time the cotton was on board ship in Bombay for England, of every £10 (Rs. 100) worth of cotton, at least £6 (Rs. 60) represented the carriage from the fields to the ship. In 1847 the Bombay cotton trade was so sick that, at the request of the leading firms, a commission of ten Government officers and merchants was appointed. The members of the commission were Messrs Glass, Spooner, Inverarity, Bowman, Crawford, Smith, Murray, Karsetji Jamsetji and Karsetji Káwasji, to whom was afterwards added Mr. now Sir H. B. E. Frere. This Commission made many sound and practical proposals. The suggestion of most importance to Dhárwár was that roads should be made from the Dhárwár cotton fields to the coast. One practical result of this recommendation was the order that the making of the road from the Dhárwár cotton districts to Kumta should be at once pressed on and that the road should be made fit for carts throughout its whole length. At this time the Dhárwár cotton is described as moving along on bullocks at one to two miles an hour. The bullocks were loaded and unloaded twice a day, generally near water where their packs were rolled in the mud. During the march each bullock consoled himself by keeping his nose in his leader's pack, and steadily eating the cotton. The loss in weight, which had not been made good by dust, was too often supplied by water and mud at the journey's end. The want of cheap and easy communication with the coast smothered the trade.

About this time the Bombay Government addressed the Bombay Chamber of Commerce in the hope of inducing them to take an active part in the Dhárwár cotton trade, Government stated that the outturn of American cotton was now so large, that they were unable to buy the whole quantity through their own agents; the Government planters had found it necessary to make contracts through native traders. Government also stated that there was enough American seed to sow 100,000 acres, and that the landholders were willing to sow American cotton to any extent, if only they were sure of a market for their produce. To foster the growth of American cotton Government had hitherto undertaken to buy all American cotton grown at £5 10*s.* (Rs. 55) a *khandi* of 784 pounds. Government thought it was time that this cotton buying should pass from them to the Bombay merchants to whom, Government were satisfied, Dhárwár American cotton would prove a profitable investment. In reply the Chamber, who expressed much interest in the growth of American cotton, asked that enough of it might be sold in Bombay to determine its value. Sir G. Clerk, then Governor of Bombay, approved of this suggestion and ordered 500 bales to be sold in Bombay on condition that the buyer engaged to ship it to England. In accordance with this arrangement 307 bales of Dhárwár American

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Europe. Of saw-ginned Dhárwár about half goes to Europe from Bombay, and of Kumta about two-thirds stops in Bombay and one-third goes to Europe. Another important change is the decline of about a third in the proportion of American to local cotton, a decline which seems to be chiefly due to the deterioration of the seed, to the failure of the arrangements for keeping the saw-gins in repair, and to adulteration. This decline in the proportion of saw-ginned Dhárwár represents a considerable diminution in the whole value of the Dhárwár crop as in Bombay in 1883 a 784 pound *khandi* of saw-ginned or American was worth about £2 (Rs. 20) more than a *khandi* of Kumta or local Dhárwár. A third change has been the starting of steam presses and steam ginning factories and a steam spinning mill. Two European firms are (1884) locally engaged in the Dhárwár cotton trade, Messrs. Robertson Brothers and Co. who started in 1864 and Messrs. Chrystal and Co. who started in 1873. During the last four years the condition of the Dhárwár cotton trade seems to have been unsatisfactory. Between 1879 and 1883 both kinds of Dhárwár cotton have fallen in money value, and they have also declined in value compared with most other varieties of Bombay cotton and with American cotton. Opinions differ how far this decline in value is due to the withdrawal of Government supervision.[1]

Miscellaneous Exports.

Of other exports hand-made coarse cotton cloth goes to Kánara, Belári, Kadapa, and the Deccan, and a few women's robes made at Hubli Gadag and Ránebennur and a few silk cloths made at Hubli go to Belgaum and Belári. Cardamoms, betelnuts, and pepper, which come from Kánara and Maisur, are sent to Poona, Sátára, and Bombay in the north, and to Belári, Kadapa, and the Nizám's dominions in the east. Of grain, wheat is sent to Belári and Kadapa, and *chena* to Kánara, Belári, and Kadapa. Of metal, copper and brass pots are sent from Hubli to Belári, Bangalur, and Belgaum; clarified butter is sent to Bombay in tin kerosine-oil boxes; sesamum-seed, cashewnuts, nutmegs, myrobalans, and marking-nuts are sent to Belári, Kadapa, and the Nizám's dominions; cotton seed, coriander-seed, onions, and garlic are sent to Kánara and Goa. Small quantities of hides and horns are sent by Musalmán traders

[1] The details are: According to the Bombay Cotton Report for 1882-83, in the Bombay market saw-ginned Dhárwár averaged about 5¼*d.* the pound in 1879-80, 5 1/16*d.* in 1880-81, 5*d.* in 1881-82, and 4⅞*d.* in 1882-83; and in the Liverpool market it averaged 6 5/16*d.* the pound in 1879-80, 5½*d.* in 1880-81, 5 9/16*d.* in 1881-82, and 5¼*d.* in 1882-83. In the Bombay market Kumta or local cotton sold for 5⅛*d.* the pound in 1879-80, 4⅝*d.* in 1880-81, 4 1/16*d.* in 1881-82, and 4 7/16*d.* in 1882-83; in the Liverpool market Kumta sold for 5⅜*d.* the pound in 1879-80, 4 13/16*d.* in 1880-81, 4⅞*d.* in 1881-82, and 4 5/16*d.* in 1882-83. In November 1879 a *khandi* of Broach was worth £1 10*s.* (Rs. 15) more than a *khandi* of sawginned Dhárwár and £3 to £3 4*s.* (Rs. 30-32) more than a *khandi* of Kumta; in 1883 Broach was worth £2 10*s.* (Rs. 25) more than saw-ginned Dhárwár and £4 10*s.* to £5 (Rs. 45-50) more than Kumta. In November 1879 a *khandi* of good Dholera was worth 10*s.* (Rs. 5) more than a *khandi* of good saw-ginned Dhárwár and £1 10*s.* (Rs. 15) more than a *khandi* of Kumta; in December 1883 there was no difference between the value of Dholera and of saw-ginned Dhárwár and a *khandi* of Dholera was worth £2 (Rs. 20) more than a *khandi* of Kumta. In 1879 in Liverpool a pound of American Mid Orleans was worth ¾*d.* more than a pound of good saw-ginned Dhárwár and 1½*d.* more than a pound of good fair Kumta; in November 1883 a pound of American Mid Orleans was worth 1 5/16*d.* more than good saw-ginned Dhárwár and 1 1/16*d.* more than good fair Kumta.